

ALABAMA MEDICAID Legislative Update

August 2004

Medicaid Receives Federal Approval for New Patient 1st Program

The Alabama Medicaid Agency received approval from the federal Center for Medicare and Medicaid Services to begin operating the new Patient 1st program starting on October 1, 2004. Unlike a previous effort at Patient 1st, which was halted in March, the redesigned program offers new features and state-of-the-art management tools available to doctors who treat Medicaid patients.

"This program will be the saving grace for long-term success for Medicaid by allowing us to manage the increasing cost of health care while fostering high quality care at appropriate levels," said Commissioner Carol Herrmann.

Under Patient 1st, a primary care physician who will manage care will be assigned to each eligible Medicaid recipient. New features of the program also include:

- Partnerships between doctors and the University of South Alabama, which will provide disease
 management for patients with chronic diseases and assist primary care doctors with
 information about critical health indicators like blood pressure and glucose readings.
- Partnership with the Alabama Department of Public Health to provide home care and case management services for patients with chronic diseases.
- Partnership with Blue Cross Blue Shield to provide doctors comprehensive prescription information on their patients to assist in effective pharmacy management.

Together, these public and private entities will combine state-of-the-art technology with accountability controls that provide the tools to better manage the increasing cost of health care and to promote better care for the elderly, the sick and children on Medicaid. The redesigned Patient 1st program will both improve the level of care for our poorest citizens and also result in savings of more than \$11 million each year for Alabama Medicaid.

Patient 1st will be fully phased in by January 1, 2005, at which time an estimated 1,500 doctors and 423,000 Medicaid recipients will be participating in the program.

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Patient 1st Implementation Schedule

Patient 1st will be implemented in four phases beginning October 1, 2004.

Phase One - October 2004

Baldwin, Choctaw, Clarke, Conecuh, Dallas, Escambia, Greene, Hale, Marengo, Mobile, Monroe, Perry, Sumter, Washington, Wilcox

Phase Two - November 2004

Autauga, Barbour, Bullock, Butler, Chambers, Coffee, Covington, Crenshaw, Dale, Elmore, Geneva, Henry, Houston, Lee, Lowndes, Macon, Montgomery, Pike, Russell

Phase Three - December 2004

Calhoun, Cherokee, Clay, Cleburne, Colbert, Coosa, DeKalb, Etowah, Franklin, Jackson, Lauderdale, Lawrence, Limestone, Madison, Marion, Marshall, Morgan, Randolph, Talladega, Tallapoosa

Phase Four – January 2005

Bibb, Blount, Chilton, Cullman, Fayette, Jefferson, Lamar, Pickens, Shelby, St. Clair, Tuscaloosa, Walker, Winston

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